

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MODIFICATION TO
 THE "ENERGY TAX INCENTIVES ACT OF 2003,"
 SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON APRIL 2, 2003

Fiscal Years 2003 - 2013

[Millions of Dollars]

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
Extension and Modification of Renewable Electricity														
Production Tax Credit - Extend (property placed in service before 1/1/07 (1/1/05 in the case of open-loop)) and modify the section 45 credit for producing renewable electricity from certain sources (credit is equal to 1.8 cents per kilowatt hour for production from post-enactment facilities after 12/31/03)	esqfa DOE	-21	-117	-202	-249	-289	-315	-323	-317	-301	-287	-277	-1,193	-2,698
Alternative Motor Vehicles and Fuel Incentives														
1. Credits for purchase of alternative motor vehicles, modifications to credit for electric vehicles, and extension of deduction for alternative motor vehicles (deduction for property placed in service before 1/1/08 (1/1/12 in the case of hydrogen fuel); credit for alternative and electric vehicles purchased before 1/1/07 (1/1/12 in the case of hydrogen))	ppisa DOE	-21	-154	-355	-551	-545	-229	-32	-36	-47	-37	-26	-1,859	-2,037
2. Credit for installation of alternative fueling stations credit for property placed in service before 1/1/08 (1/1/12 in the case of hydrogen)	ppisa DOE	-1	-2	-48	-94	-107	-6	60	40	28	15	5	-257	-109
3. Credit for retail sale of alternative fuels (30 cents/gallon in 2003, 40 cents in 2004, 50 cents in 2005 and 2006)	DOE	-4	-103	-169	-215	-90	-1	-1	-1	-1	---	---	-582	-587
4. Modifications to small producer ethanol credit	tyba DOE	[1]	-16	-34	-34	-34	-18	[1]	[1]	[1]	[1]	---	-136	-137
5. Tax incentives for biodiesel (sunset 12/31/05) [2]	DOE	-1	-19	-29	-9	---	---	---	---	---	---	---	-58	-58
Total of Alternative Motor Vehicles and Fuel Incentives		-27	-294	-635	-903	-776	-254	27	3	-20	-22	-21	-2,892	-2,928
Conservation and Energy Efficiency Provisions														
1. Business credit for construction of new energy efficient homes	ppb DOE & 12/31/07	-18	-78	-112	-101	-108	-68	-21	-4	---	---	---	-485	-510
2. Credit for energy efficient appliances	apb DOE & 12/31/07	-6	-52	-82	-68	-46	-23	-8	-2	[1]	---	---	-277	-288
3. Credit for residential fuel cell, solar, and other energy efficient property	ppb 1/1/04 & 12/31/07	---	-140	-89	-86	-75	-57	---	---	---	---	---	-448	-448
4. Business tax incentives for qualifying fuel cells	ppisb DOE & 12/31/07	[1]	-2	-3	-3	-3	-2	-1	[1]	[3]	[3]	[3]	-10	-9
5. Allowance of deduction for certain energy efficient commercial building property	1/1/04 for pcpt 1/1/08 & ccb 1/1/10	---	-69	-99	-91	-91	-93	-94	-33	---	---	---	-443	-571

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
6. Three-year applicable recovery period for qualified energy management devices (excluding ancillary equipment):														
a. Electric devices (sunset for property placed in service after 12/31/07)	ppisa DOE	-3	-12	-24	-43	-70	-59	-12	17	27	22	14	-212	-144
b. Water submetering devices (sunset for property placed in service after 12/31/07)	ppisa DOE	-1	-5	-13	-22	-31	-23	[3]	12	15	11	5	-95	-52
7. Energy credit for combined heat and power system property	ppisa DOE & ppisb 1/1/07	-23	-80	-56	-22	-5	4	7	10	10	9	9	-181	-134
8. Credit for energy efficiency improvements to existing homes	tyba DOE & tybb 1/1/07	---	-55	-78	-78	-63	---	---	---	---	---	---	-274	-274
Total of Conservation and Energy Efficiency Provisions		-51	-493	-556	-514	-492	-321	-129	---	52	42	28	-2,425	-2,430
Clean Coal Incentives - Investment and Production														
Credits for Clean Coal Technology														
1. Credit for production from qualifying clean coal technology units	pa DOE	-1	-32	-58	-70	-80	-87	-90	-92	-94	-97	-97	-328	-799
2. Credit for investment in qualifying advanced clean coal technology (for property placed in service after the date of enactment and before 1/1/17 (1/1/13 in the case of advanced pulverized coal or atmospheric fluidized bed)	ppisa DOE	---	-20	-47	-49	-41	-27	-111	-94	-39	-28	-18	-184	-475
3. Credit for production of electricity from qualifying advanced clean coal technology units	pa DOE	---	-4	-17	-36	-55	-70	-96	-132	-153	-162	-168	-183	-895
Total of Clean Coal Incentives - Investment and Production Credit for Clean Coal Technology		-1	-56	-122	-155	-176	-184	-297	-318	-286	-287	-283	-695	-2,169
Oil and Gas Provisions														
1. Credit for marginal domestic oil and natural gas well production	DOE	----- No Revenue Effect -----												
2. Natural gas gathering pipelines treated as 7-year property	ppisa DOE	-2	-7	-12	-15	-17	-45	-52	-60	-68	-76	-86	-98	-442
3. Expensing of capital costs incurred and credit for production in complying with Environmental Protection Agency sulfur regulations for small refiners	epoia 1/1/03	---	---	-3	-3	-11	-23	-37	-16	[1]	1	2	-39	-89
4. Determination of small refiner exception to oil depletion deduction - modify definition of independent refiner from daily maximum run less than 50,000 barrels to average daily run less than 60,000 barrels	tyea DOE	-2	-7	-7	-8	-8	-8	-8	-8	-9	-9	-9	-39	-83
5. Extension of suspension of 100% of taxable income limit with respect to marginal production (through 12/31/06)	DOE	---	-22	-35	-36	-13	---	---	---	---	---	---	-106	-106
6. Amortize all geological and geophysical ("G&G") expenditures over 2 years	cpoi tyba DOE	20	-174	-429	-434	-325	-262	-227	-192	-182	-188	-194	-1,604	-2,586
7. Amortize all delay rental payments over 2 years	apoi tyba DOE	31	13	-62	-66	-39	-11	-1	-1	-1	-1	-1	-135	-138

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
6. Provisions Relating to Alaska Natural Gas:														
a. Credit for Production of Alaska Natural Gas	DOE	----- No Revenue Effect -----												
b. Treat certain Alaska pipeline property as 7-year property	ppisa 2014	----- No Revenue Effect -----												
7. Extend IRS User Fees (through 9/30/07) [7]	DOE	---	33	34	35	36	---	---	---	---	---	---	138	138
Total of Miscellaneous Provisions.....		55	238	207	234	261	255	293	337	390	457	528	1,253	3,259
NET TOTAL		-481	-2,181	-3,581	-4,426	-3,625	-1,385	-178	209	282	70	-168	-15,678	-15,469

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be July 1, 2003.

Legend for "Effective" column:

apoi = amounts paid or incurred in
 apb = appliances produced between
 ccb = construction completed before
 cpoi = costs paid or incurred in
 DOE = date of enactment
 epoi = expenses paid or incurred after

esfqfa = electricity sold from qualifying facilities after
 fba = fuels blended after
 oia = obligation issued after
 pa = production after
 pcpt = plans certified prior to
 ppb = property purchased between

ppisa = property placed in service after
 ppisb = property placed in service between
 rra = risk reinsured after
 ta = transactions after
 tyba = taxable years beginning after
 tybb = taxable years beginning before

- [1] Loss of less than \$500,000.
- [2] This provision may also have indirect effects on Federal outlays for certain farm programs. Outlay effects will be estimated by the Congressional Budget Office.
- [3] Gain of less than \$500,000.
- [4] Qualified facilities would be given credit for three years of production (five years in the case of refined coal).
- [5] Effective for certain transactions completed after March 20, 2002, and would also affect certain taxpayers who completed transactions before March 21, 2002.
- [6] Gain of less than \$1 million.
- [7] Estimate provided by the Congressional Budget Office.